Manitoba

ANNUAL REPORT

1984-85

Manitoba
Horse Racing
Commission

MANITOBA HORSE RACING COMMISSION

Allan Chisvin, Chairman
Morris Kaplan, Vice Chairman
Robert Topley, Supervisor of Racing

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Ian E. MacKenzie, Member
Irene E. Bauman, Member
Jack T. Philpot, Member

November 12, 1985.

The Honourable Jerry T. Storie,
Minister of Business Development
and Tourism,
Room 227,
Legislative Building,
WINNIPEG, Manitoba.
R3C 0V8

Dear Sir:

I have the honour to transmit herewith the Nineteenth Annual Report of The Manitoba Horse Racing Commission covering the fiscal year ended March 31, 1985.

Respectfully submitted,

MANITOBA HORSE RACING COMMISSION,

Mr. Allan Chisvin,
Chairman.

AC/am

NINETEENTH ANNUAL REPORT

THE MANITOBA HORSE RACING COMMISSION

for year ending March 31, 1985.

COMMISSIONERS

Allan Chisvin	Chairman	Winnipeg
Morris Kaplan	Vice Chairman	Winnipeg
Irene Bauman	Member	Minto
Ian MacKenzie	Member	Portage la Prairie
Jack Philpot	Member	Winnipeg

SUPERVISOR OF RACING

Robert Topley

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NINETEENTH ANNUAL REPORT

THE HORSE RACING COMMISSION

General

This report covers the twelve months ended March 31st, 1985. The Commission year-end was changed from December 31st to March 31st in 1984. As a result of the change in year-end the comparative figures reflect a fifteen month period.

Thoroughbred Racing

The first eight weeks of the 1984 Thoroughbred Meet continued to show a decline in attendance and pari-mutuel handle that had begun the previous year.

In July 1984 the Provincial Government in cooperation with Assiniboia Downs, the Horsemen's Benevolent Protection Association and the Canadian Thoroughbred Horse Society instituted a program that reduced the pari-mutuel take-out by 5.16%.

The reduction in the pari-mutuel handle resulted in a dramatic turnaround in the pari-mutuel handle. Prior to implementation of the new program the average daily handle had declined 13.4% compared to 1983. By the end of the meet the average daily pari-mutuel handle recorded an increase of 0.9%, a turnaround of 13.43.%. The per capital wagering increased by 8.11%.

There was also an impact on declining attendance and by the end of the meet there was a modest increase of 5.4% for the year compared to 1983.

Standardbred Racing

The 1984/85 Winter Harness Meet at Assiniboia Downs increased its average daily pari-mutuel handle by 9.21% and the per capita wagering by 12.26%.

The Rural Circuit saw a modest increase of 4.52% in the total pari-mutuel handle and a rise of 10.57% in per capita wagering.

Quarter Horse Racing

The 1983/84 comparative statistics for Quarter Horse racing are set forth in Schedule "D".

Rulings, Fines & Appeals

The Thoroughbred Stewards issued 100 rulings which resulted in fines totalling $4,665.00 and 12 suspensions.

The Standardbred Judges issued 212 rulings resulting in fines totalling $15,990.00 and 56 suspensions.

Twenty-one appeals were filed with the Commission. Seven appeals were upheld and fourteen denied.

Financial Statement

The accounts of the Commission have been audited by the Office of the Provincial Auditor and the Financial Statements are attached to this Annual Report.

Thoroughbred Racing - Assiniboia Downs

	1984	1983	Percentage (+) (-)
Pari-Mutuel Handle	34,902,224	35,230,222	.93% (-)
Number of Race Days	107	109	1.87% (-)
Average Daily Handle	326,189	323,213	.92% (+)
Attendance	408,150	390,670	4.47% (+)
Average Daily Attendance	3,814	3,584	6.42% (+)
Per Capita Wagering	86	90	4.65% (-)
Horsemen's Purses	3,395,029	3,561,464	4.90% (-)
Number of Races	996	1,081	8.53% (-)
Per Race Purse Average	3,409	3,295	3.46% (+)
Federal Takeout	279,218	281,842	.94% (-)
Provincial Takeout	3,193,012	3,198,975	.19% (-)

Provincial Support Program	1984	1983
3% Prov. Gov't Rebate	697,211	-
Purse Support (Overnight)	1,284,662	1,264,025
Purse Supplements	307,870	326,662
Purse Stakes Support	65,500	65,000
Breeders Awards	74,98€	71,566
Stallion Awards	33,718	33,638
C.T.H.S. Admin.	31,430	31,430
	2,495,377	1,792,321

Drug Control Statistics	1984	1983
Number of Positives	3	3

Standardbred Racing - Assiniboia Downs

	1984/85	1983/84*	Percentage (+) (-)
Pari-Mutuel Handle	17,158,270	23,131,143	34.81% (-)
Race Days	108	159	47.22% (-)
Average Daily Handle	158,873	145,479	9.21% (+)
Attendance	144,569	218,181	50.92% (-)
Average Daily Attendance	1,339	1,372	2.46% (-)
Per Capita Wagering	119	106	12.26% (+)
Total Purses	1,317,050	1,714,574	30.18% (-)
Number of Races	1,243	1,594	28.24% (+)
Per Race Purse Average	1,060	1,076	1.51% (-)
Federal Takeout	137,266	185,049	34.81% (-)
Provincial Takeout	1,401,420	1,908,319	36.17% (-)

Provincial Support Program

	1984/85	1983/84
Purse Support (Overnight)	633,825	982,461
Purse Supplements	3,000	47,000
Sires Stakes	120,000	110,000
Breeders Awards	52,205	-
Owner Awards	52,205	-
	861,235	1,139,461

Drug Control Statistics

Number of Positives	5	9

*15 month period

Standardbred Racing - Rural Circuit

	Racing Days		Amount Wagered		Percentage (+) (-)
	1984	1983	1984	1983	
Carberry	2	2	$ 31,132	$ 75,198	141.55% (-)
Carman	3	3	89,344	80,639	10.80% (+)
Dauphin	4	4	137,282	131,894	4.09% (+)
Deloraine	2	2	70,342	73,220	4.09% (-)
Glenboro	2	2	65,160	64,700	.71% (+)
Holland	2	2	68,780	78,294	13.83% (-)
Killarney	3	3	108,680	131,182	20.70% (-)
Minnedosa	2	2	60,732	57,368	5.85% (+)
Pilot Mound	3	3	91,610	35,450	158.42% (+)
Portage	4	4	131,334	130,966	.28% (+)
Russell	2	2	32,278	18,822	71.49% (+)
Virden	4	4	104,526	63,314	65.09% (+)
Wawanesa	2	2	70,452	74,680	6.00% (-)
TOTALS	35	35	$1,061,652	$1,015,727	4.52% (+)

Other Comparative Statistics

	1984	1983	Percentage (+) (-)
Attendance	50,736	53,650	5.74% (-)
Average Daily Attendance	1,450	1,533	5.72% (-)
Horsemen's Purses	365,605	400,118	9.44% (-)
Per Race Purse Average	1,107	1,295	16.98% (-)

Provincial Support Programs	1984	1983	Percentage (+) (-)
Purse Supplements	158,827	151,000	5.18% (+)
Breeders Awards	63,400	63,400	-
Sires Stakes	20,000	20,000	-
Capital Grants	22,078	32,994	49.44% (-)
TOTALS	264,305	267,394	1.17% (-)
Per Capita Wagering	20.93	18.93	10.57% (+)
Federal Take-out	8,489	8,126	4.47% (+)

Quarter Horse Racing

	1984	1983	Increase/Decrease
Pari-Mutuel Handle			
Assiniboia Downs	$134,500	$48,634	176.56% (+)
Rossburn	9,352	6,520	43.44% (+)
Racing Days			
Assiniboia Downs	9	4	5. (+)
Rossburn	2	2	-
Horsemen's Purses	24,880	18,150	37.08% (+)
Per Race Purse Average	1,082	908	19.16% (+)
Provincial Support Program			
Purse Supplements	9,500	8,440	12.56% (+)
Capital Grants	n/a	12,381	
Breeders Incentive	n/a	2,875	
Sires Stakes	2,000	3,050	52.50% (-)
Admin. Support	n/a	n/a	-
Rebate & Subsidy	1,328	652	103.68
TOTALS	12,828	27,398	113.58% (-)

MANITOBA HORSE RACING COMMISSION

Occupational Licenses, Registration Fees & Fines for the year ending March 31, 1985.

Licenses	Thoroughbred	Standardbred
Owners	895	388
Owner/Trainer	121	68
Owner/Driver	-	5
Owner/Groom	4	8
Trainers	39	12
Assistant Trainers	13	-
Owner/Trainer/Driver	-	86
Jockeys	26	-
Apprentice Jockey	8	-
Drivers	-	10
Driver/Trainer	-	9
Jockey Agent	12	-
Veterinarians	5	-
Officials	5	3
Tradesmen	32	23
Backstretch	490	77
Association Employees	182	147
Sponsored Person	812	254
Assistant Trade	1	-
Updated Licenses	7	3

Registration Fees	Thoroughbred	Standardbred
Partnerships	241	20
Stable Names	172	17
Colours	39	-
Leases	10	10
Authorized Agents	195	56
Open Claims	14	-

Total Fees, Licenses and Fines	1984	1983
Thoroughbred		
Fees and Licenses	$ 80,740	$ 82,470
Fines	4,665	5,665
	85,405	88,135
Quarter Horse Fees & Licenses	390	355
Standardbred		
Fees and Licenses	43,155	62,630
Fines	15,990	12,850
	59,145	75,480
	$144,940	$163,970

Manitoba

THE HORSE RACING COMMISSION

REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A, B and C, of The Horse Racing Commission for the year ended March 31, 1985. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1985 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements applied on a basis consistent with that of the preceding period.

F. H. Jackson, C.A.,
Provincial Auditor.

June 17, 1985,
Winnipeg, Manitoba.

THE HORSE RACING COMMISSION

Notes to the Financial Statements
for the year ended March 31, 1985

1. Nature of the operations

The objectives of the Commission are to govern, direct, control and regulate horse racing and the operations of horse race tracks in Manitoba. In addition, the Commission acts as a conduit for support grants between the Government of the Province of Manitoba and the horse racing industry.

The operating expenses of the Commission in excess of revenue derived from its regulatory activities are funded through an appropriation of the Government of the Province of Manitoba. Consequently, the Commission will not experience an operating deficit. Administrative grant monies drawn down in excess of actual expenses are retained by the Commission as "funds available for future operations". However, such funds available for future operations reduce subsequent administrative grant requirements.

2. Significant accounting policies

An accrual basis of accounting is followed except for:

i) Capitalization and depreciation

The costs of building renovations, purchases of equipment and office furniture, are charged directly to operations. Accordingly depreciation is not provided for in the accounts.

ii) Pension liability and expense

In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Commission contributes 50% of the pension disbursement made to retired employees. Such payments are to be charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation Fund. On the basis of an actuarial report, the unfunded liability for the Commission's employees amounted to $54,500 as at December 31, 1984 ($38,100 - December 31, 1983).

iii) Support grants

Support grants are recorded on a cash basis and are reflected separately (Exhibit C) from the general administrative activities of the Commission.

3. Accounts receivable arising from 1982 temporary track closure

An agreement dated July 21, 1982 between the Horsemen's Benevolent and Protective Association (H.B.P.A.), the Canadian Thoroughbred Horse Society and The Horse Racing Commission provided for the payment of amounts owing to individual horsemen as a result of the default by Assiniboia Downs 1981 Ltd.

In addition, a letter of understanding dated August 7, 1982, from the H.B.P.A. provided that the H.B.P.A. would reimburse the Commission for the 1982 purse overpayments incurred by Winnipeg Racing Ltd., which were paid by the Commission.

THE HORSE RACING COMMISSION

Notes to the Financial Statements
for the year ended March 31, 1985

3. Accounts receivable arising from 1982 temporary track closure (continued)

On the basis of the above agreements, the accounts receivable consist of the following:

Charged during 1982:		
re: July 21, 1982 agreement		$ 106,985
re: August 7, 1982 letter of understanding		170,604
Accounts receivable, as at December 31, 1982		277,589
Payments received during the 15 month period ended March 31, 1984	$ 109,000	
1982 H.B.P.A. undistributed grant funds applied	17,201	126,201
Accounts receivable as at March 31, 1984		151,388
Payments received during the year ended March 31, 1985		102,992
Accounts receivable as at March 31, 1985		$ 48,396

The July 21, 1982 agreement further provided that surplus funds of Winnipeg Racing Ltd. would reduce the amount owing to the Commission. Winnipeg Racing Ltd. has been wound up effective March 1, 1985. The surplus amounted to $20,732. The Commission received $19,992 of the surplus during the fiscal year ended March 31, 1985, which has been included in the $102,992 above, and subsequently received the balance of $740.

4. Fees, licences and fines

	1985	1984
Thoroughbred		
Fees and licences	$ 80,740	$ 82,470
Fines	4,665	5,665
	85,405	88,135
Quarter horse fees and licences	390	355
Standardbred		
Fees and licences	43,155	62,630
Fines	15,990	12,850
	59,145	75,480
	$ 144,940	$ 163,970

THE HORSE RACING COMMISSION

Notes to the Financial Statements
for the year ended March 31, 1985

5. Contingent liabilities

The Commission is contingently liable in respect to pending legal claims. Potential liabilities have been estimated at $80,800 plus interest and costs for one claim and $1,400 in costs for the others. Although, the Commission is not the defendant in one case, it has agreed to indemnify the defendant against loss in this matter as the claim arises from his carrying out of duties as a member of the Commission. It is the Commission's opinion that this claim will be dismissed. No provision has been recorded in the Commission's accounts for these contingent liabilities.

Exhibit A

THE HORSE RACING COMMISSION

Balance Sheet
as at March 31, 1985
(with March 31, 1984 figures for comparison)

	1985	1984
A S S E T S		
Current assets:		
Cash on hand and in bank	$ 116,478	$ 41,307
Accounts receivable - trade	-	4,500
Accounts receivable arising from 1982 temporary track closure (Note 3)	48,396	151,388
Grant receivable - Government of the Province of Manitoba	60,000	-
	$ 224,874	$ 197,195
L I A B I L I T I E S		
Current liabilities:		
Accounts payable - trade	$ 41,059	$ 23,553
Accounts payable - re employee	6,922	-
Undistributed grants, Exhibit C	13,061	19,203
Deferred revenue	6,170	4,940
	67,212	47,696
Funds available for future operations, Exhibit B	157,662	149,499
	$ 224,874	$ 197,195

Exhibit B

THE HORSE RACING COMMISSION

Statement of Revenue and Expenditure and Funds Available for Future Operations for the year ended March 31, 1985 (with the 15 month period ended March 31, 1984 figures for comparison)

	1985	1984
Revenue:		
Grant from the Government of the Province of Manitoba	$ 396,500	$ 633,022
Fees, licenses and fines (Note 4)	144,940	163,970
	541,440	796,992
Expenditure:		
Advertising	-	9,277
Building renovations	181	7,877
Commissioners' honoraria	20,853	21,598
Employee benefits	20,854	15,223
Equipment and office furniture	1,871	10,879
Equipment rentals	11,248	12,287
Health and post secondary education tax levy	5,282	5,661
Hearings and appeals	9,347	11,336
Identification supplies	11,066	15,801
Impact assessment study	-	21,674
Memberships and dues	6,339	6,008
Office	19,480	28,504
Professional fees	15,022	72,878
Research grant	5,000	5,000
Salaries:		
Administration	104,065	103,420
Security	5,515	23,779
Stewards and judges	168,296	181,589
Veterinarian services	59,954	70,325
Sundry	2,340	954
Telephone	7,905	8,165
Training costs - salary and travel	31,516	19,891
Travel	27,143	28,241
	533,277	680,367
Revenue over expenditure	8,163	116,625
Funds available for future operations at beginning of period	149,499	32,874
Funds available for future operations at end of period, Exhibit A	$ 157,662	$ 149,499

Exhibit C

THE HORSE RACING COMMISSION

Statement of Government Grant Receipts and Disbursements for the year ended March 31, 1985 (with the 15 month period ended March 31, 1984 figures for comparison)

	1985	1984
Grant received from the Government of the Province of Manitoba	$ 3,626,276	$ 3,273,655
Grants disbursed:		
Owner/Breeder incentives:		
Thoroughbred	482,074	528,296
Standardbred	170,811	110,400
Quarter horse	-	2,875
Capital grants:		
Standardbred	22,078	32,994
Quarter horse	-	12,381
Overnight purse supplements:		
Thoroughbred	1,981,873	1,264,025
Standardbred	792,652	1,133,461
Quarter horse	9,500	8,440
Sire stakes program:		
Standardbred	140,000	130,000
Quarter horse	2,000	3,050
Emergency Fund:		
H.B.P.A.	-	17,201
Administrative grants:		
C.T.H.S.	31,430	31,430
	3,632,418	3,274,553
Disbursements over receipts	6,142	898
Undistributed grants - beginning of period	19,203	20,101
Undistributed grants - end of period, Exhibit A	$ 13,061	$ 19,203